

Kelso City Council Agenda

Special Council Meeting, 6:00pm
January 22, 2013
Council Chambers
203 S. Pacific
Kelso, WA 98626



Special accommodations for the handicapped and hearing impaired are available by arrangement through the City Clerk's Office at 360-423-0900

Call to Order:

Council Business:

- **Public Hearing:**
 - Community Development Block Grant

Motion Items:

- **Resolution**
 - CDBG General Purpose Grant Funds

Other Items:

- **Council Workshop**
 - LTAC Strategic Planning Discussion

Adjournment:

AGENDA SUMMARY SHEET

Business of the City Council City of Kelso, Washington

SUBJECT TITLE:

Public Hearing for Application to the Department of Commerce for CDBG General Purpose Grant Funds

Agenda Item: _____

Dept. of Origin: Public Works

For Agenda of: January 22, 2013

Cost of Item: _____

City Manager: Steve Taylor

PRESENTED BY:

David M. Sypher, P.E.
Public Works Director

AGENDA ITEM ATTACHMENTS:

Community Development Block Grant Information Sheet (English and Spanish)
Federal Citizen Participation requirements for Local Government to the State CDBG Program (English and Spanish)

SUMMARY STATEMENT:

The purpose of this Hearing is to obtain public comments on the application for CDBG funds to complete the next phase of the North Kelso Sewer Replacement Project.

The North Kelso Sewer system was identified in the 1993 Gibbs & Olson Flow Study as the area within the City that has the highest infiltration/inflow (I/I) rate. Since that time Public Works has been replacing the sewer mains to reduce I/I. I/I is the introduction of stormwater to the sewer system by direct flow into manholes (inflow) and by seepage into the piping through cracks in the main and displaced joints (infiltration). I/I creates multiple issues for the sanitary sewer system. I/I increases treatment costs by increasing the volume of the sewage that is collected and delivered to the treatment plant. I/I decreases the piping system capacity due to the I/I using a portion of the piping limiting the system's capability to accept new connections.

This construction project will remove approximately 0.4 miles of failing pipe and greatly reduce the I/I into the system reducing the cost of treating the collected sewage. This will help to stabilize rates and improve system reliability.

FINANCIAL SUMMARY:

With the grant award and funds from the sewer capital improvement fund, the City will be able to complete the project.

RECOMMENDED ACTION:

Staff recommends council to receive public comments on the proposed application for CDBG funds.



Department of Commerce

Innovation is in our nature.

APPENDIX B-4

PUBLIC HEARING HANDOUT

Community Development Block Grant Program

For More Information:

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Kaaren Roe
Program Manager
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kaaren.roe@commerce.wa.gov

Phyllis Cole
Project Manager
360.725.4001
phyllis.cole@commerce.wa.gov

Laurie Dschaak
Grant Specialist
360.725.5020
laurie.dschaak@commerce.wa.gov

Mary Trimarco
Business Services Manager
206.256.6146
mary.trimarco@commerce.wa.gov

2013 amounts are proposed, contingent upon approval of the state 2013 Action Plan and federal funding

Introduction

The Washington State Community Development Block Grant (CDBG) program provides funds on a competitive basis for public facilities, community facilities, economic development, affordable housing, public services and planning projects that principally benefit low- and moderate-income persons.

Since 1982, the Washington State CDBG Program has distributed and managed over \$445 million from the U.S. Department of Housing and Urban Development (HUD). With this funding, the CDBG Program improves the economic, social and physical environment of eligible, rural cities and counties to enhance the quality of life for low- and moderate-income residents, and as a result, make a difference for the entire community.

2013 Funding Set-Asides

In 2013, approximately \$12 million in federal CDBG funds are anticipated to be awarded to Washington State. These funds are proposed to be distributed as follows:

▪ General Purpose Grants		\$9,750,000
Contact: Kaaren Roe		
Grants for public facility, community facility, affordable housing, or economic development projects principally benefiting low- and moderate-income persons in eligible rural communities. Annual competitive application cycle with maximum grant of \$750,000 or \$1 million if higher funding criteria are met. Application materials are released in November 2012, with applications due by January 31, 2013 and awards announced in May 2013.		
▪ Planning-Only Grants		\$425,000
Contact: Phyllis Cole		
Grants for a range of planning activities that lead to implementation of priority projects for eligible small communities and rural counties. Maximum grants at \$24,000 or \$35,000 for critical public health issues where non-compliance, hardships and lack of other funding exist. Application materials are released in April 2013 and can be submitted year round beginning May 2013, with first awards announced by July 2013 and ongoing until all funds have been awarded.		

- **Housing Enhancement Grants** \$200,000
 Contact: Kaaren Roe
 Companion funds to support priority applications submitted to the Washington State Housing Trust Fund, which fund necessary off-site infrastructure or community facility components of the affordable housing project.
- **Imminent Threat Grants** \$125,000
 Contact: Kaaren Roe
 Provides funds to address unique emergencies posing a serious and immediate threat to public health and safety on a funds availability basis. Upon formal Declaration of Emergency and completion of an Imminent Threat grant application, costs can be covered for a temporary repair or solution while funding for a permanent fix is secured.
- **Public Services Grants** \$1,500,000
 Contact: Laurie Dschaak
 Provides funds to 17 eligible counties and community action agencies to fund new or expanded direct services for persons with low- and moderate- incomes.
- **CDBG Economic Development Loans** \$11,000,000
 Contact: Mary Trimarco
 Provides eligible jurisdictions with short-term loans for economic development/job creation financing for CDBG-eligible activities meeting a HUD National Objective. Applications may be submitted on an ongoing, fund available basis.
 - Float Loan - Economic Development/Job Creation
 - HUD Section 108 Guarantee Loans

HUD National Objectives

CDBG project activities must meet one of three HUD National Objectives:

- Principally benefits low-and moderate-income persons
- Aids in the prevention or elimination of slums or blight
- Addresses imminent threat to public health or safety

CDBG Eligibility Guidelines

- Eligible applicants are Washington State cities/towns with less than 50,000 in population and not participating in a CDBG entitlement urban county consortium; and counties with less than 200,000 in population. Eligible cities/towns and counties are listed on the CDBG website.
- Special purpose districts, public housing authorities, community action agencies, economic development councils, other nonprofit organizations, and Indian tribes are not eligible to apply directly to the state CDBG Program for funding, but may be a partner in projects and subrecipient of funding with an eligible city/town or county applicant.
- Applicants may submit one request per fund each program year. Exception: An eligible city/town or county may apply for a second General Purpose Grant if one application is for a local microenterprise assistance program.

Federal Citizen Participation Requirements for Local Government Applicants to the State CDBG Program

Federal Regulations 24 CFR 570.486 (a)

(a) *Citizen participation requirements of a unit of general local government.* Each unit of general local government shall meet the following requirements as required by the state at Sec. 91.115(e) of this title.

- (1) Provide for and encourage citizen participation, particularly by low and moderate income persons who reside in slum or blighted areas and areas in which CDBG funds are proposed to be used;
- (2) Ensure that citizens will be given reasonable and timely access to local meetings, information, and records relating to the unit of local government's proposed and actual use of CDBG funds;
- (3) Furnish citizens information, including but not limited to:
 - (i) The amount of CDBG funds expected to be made available for the current fiscal year (including the grant and anticipated program income);
 - (ii) The range of activities that may be undertaken with the CDBG funds;
 - (iii) The estimated amount of the CDBG funds proposed to be used for activities that will meet the national objective of benefit to low and moderate income persons; and
 - (iv) The proposed CDBG activities likely to result in displacement and the unit of general local government's anti-displacement and relocation plans required under Sec. 570.488.
- (4) Provide technical assistance to groups representative of persons of low and moderate income that request assistance in developing proposals in accordance with the procedures developed by the state. Such assistance need not include providing funds to such groups;
- (5) Provide for a minimum of two public hearings, each at a different stage of the program, for the purpose of obtaining citizens' views and responding to proposals and questions. Together the hearings must cover community development and housing needs, development of proposed activities and a review of program performance. The public hearings to cover community development and housing needs must be held before submission of an application to the state. There must be reasonable notice of the hearings and they must be held at times and locations convenient to potential or actual beneficiaries, with accommodations for the handicapped. Public hearings shall be conducted in a manner to meet the needs of non-English speaking residents where a significant number of non-English speaking residents can reasonably be expected to participate;
- (6) Provide citizens with reasonable advance notice of, and opportunity to comment on, proposed activities in an application to the state and, for grants already made, activities which are proposed to be added, deleted or substantially changed from the unit of general local government's application to the state. *Substantially changed* means changes made in terms of purpose, scope, location or beneficiaries as defined by criteria established by the state.
- (7) Provide citizens the address, phone number, and times for submitting complaints and grievances, and provide timely written answers to written complaints and grievances, within 15 working days where practicable.



Subvención Global Para Desarrollo Comunitario

Introducción:

El programa de Subvención Global para Desarrollo Comunitario del Estado de Washington (CDBG) proporciona fondos sobre una base competitiva para instalaciones de la comunidad y públicas, desarrollo económico, viviendas asequible, servicios publicas y proyectos de planificación que benefician principalmente a personas de ingresos bajos y moderados.

Para obtener más Información:

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Project Manager
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Laurie Dschaak
Grant Specialist
360.725.5020
laurie.dschaak@commerce.wa.gov

Mary Trimarco
Business Services Manager
206.256.6146
mary.trimarco@commerce.wa.gov

2013 Cantidadesson propuestos, depende de la aprobación del 2013 plan de acción del estado y financiación federal.

www.commerce.wa.gov/cdbg

Desde 1982, el programa de CDBG del Estado de Washington ha distribuido y administrado más de 455 millones de dólares de los Estados Unidos departamento de vivienda y desarrollo urbano (HUD). Con este financiamiento, el programa CDBG mejora el entorno económico, social y físico de las ciudades rurales elegibles y condados para mejorar la calidad de vida para los residentes de ingresos bajos y moderados y en consecuencia, hacer una diferencia para toda la comunidad.

2013 Fondos Reservados

En 2013, aproximadamente 12 millones de dólares en fondos federales de CDBG se otorgará al Estado de Washington. Se propone que los fondos serían distribuidas como sigue:

- | | |
|---|--------------------|
| ▪ Concesión de Propósito General | \$9,750,000 |
| Contacto: Kaaren Roe | |
| Las becas para instalaciones públicas y de la comunidad, la vivienda económica, o los proyectos de desarrollo económico que se benefician principalmente personas con ingresos bajos y moderados elegibles en las comunidades rurales. Ciclo anual competitiva aplicación con subsidio/beca máximo de \$750.000 o un millón de dólares si se cumplen los criterios de una financiación mayor. Aplicación materiales son liberados en Noviembre 2012, con aplicaciones debido al 31 de enero, 2013 y premios en 2013 Mayo. | |
| ▪ Concesión para Planificación Solamente | \$425,000 |
| Contacto: Phyllis Cole | |
| Becas para la planificación de una serie de actividades que conducen a la realización de proyectos elegibles para prioridad comunidades pequeñas y condados rurales. Becas Máximo de \$ 24,000 o \$ 35,000 para los temas críticos de salud pública en caso de incumplimiento, dificultades y la falta de otras fuentes de financiación existentes. Materiales de la solicitud de publico en Mayo 2013, y se puede presentar año redondo y empezar en Mayo de 2013 asta que todos los fondos se han otorgado. | |
| ▪ Concesión para Mejora de la Vivienda | \$200,000 |
| Contacto: Kaaren Roe | |
| Fondos de acompañante para soportar aplicaciones de prioridad enviadas a Washington estado vivienda Fondo Fiduciario, que financian infraestructura fuera necesaria o componentes de servicio comunitario del proyecto de vivienda razonable. | |

- **Concesión de Amenaza Inminente** \$125,000
 Contacto: Kaaren Roe
 Proporciona fondos para atender las emergencias que plantea un único peligro grave e inmediato para la salud y la seguridad pública en una disponibilidad de fondos base. Sobre la formal declaración de emergencia y realización de una amenaza inminente conceder la aplicación, pueden cubrir los costos para una reparación temporal o solución mientras que la financiación para una solución permanente está asegurado.
- **Concesión para Servicios Públicos** \$1,500,000
 Contacto: Kaaren Roe
 Proporciona fondos para los 17 condados elegibles y agencias de acción comunitaria para financiar servicios directos nuevos o ampliados para las personas con ingresos bajos y moderados.
- **Portafolio de Empréstitos Comercial-CDBG** \$11,000,000
 Contacto: Mary Trimarco
 Proporciona jurisdicciones elegibles con préstamos a corto plazo para el desarrollo económico/financiación para la creación de empleo CDBG actividades elegibles que complan un objetivo HUD Nacional. Aplicantion podrán presentarse en forma permanente, disponible fondo.
 - Float Préstamo de Desarrollo Económico/La creación de empleo
 - HUD Sección 108 Préstamos Garantizados

HUD Objetivos Nacionales

Las actividades de proyectos de HUD CDBG de objetivos nacionales deben cumplir uno de los tres objetivos nacionales de HUD:

- Beneficia principalmente a las personas de ingresos bajos y moderados
- Ayudas en la prevención o eliminación de barrios pobres y insalubres o tizón
- Enfrenta una amenaza inminente para la seguridad o la salud pública

CDBG-Guiá de Elegibles

- Los solicitantes elegibles son ciudades y pueblos del estado de Washington con poblaciones menores de 50,000 o condados con poblaciones menores de 200,000 que son jurisdicciones que no reciben asistencia financiera directa o no son participantes en un Consorcio de Asistencia Financiera Directa del Condado Urbano de HUD.
- Naciones indias y organizaciones con propósitos especiales, tales como autoridades de hogares públicos, estritos portuarios, agencias de acción a la comunidad y consejos de desarrollo económico, no califican para solicitar directamente financiamiento al Programa de CDBG. Sin embargo, jurisdicciones que si califiquen pueden optar por incluir naciones indias o otras organizaciones en actividades finanziadas por una subvención.
 Los solicitantes pueden presentar una solicitud en cada ciclo del financiamiento. La excepción es los solicitantes de asistencia microenterprise pueden presentar dos.

**Requisitos de Participación Ciudadana Federal
Para Solicitantes del Gobierno Local al Programa de CDBG**

Regulación Federal 24 CFR 570.486(a)

(a) *Requisitos de participación ciudadana de una unidad general del gobierno local.* Cada unidad general del gobierno local, debe cumplir los siguientes requisitos como es solicitado por el estado, en el Sec. 91.115(e) de este artículo.

- (1) Contribuir y motivar a la participación ciudadana, particularmente en personas de recursos bajos y moderados quienes residen en condiciones precarias o áreas insalubres y áreas donde el Programa de CDBG tiene como objetivo apoyar con financiamiento;
- (2) Asegurar que los ciudadanos tengan acceso oportuno y suficiente a reuniones locales, información y estadísticas relacionadas a la unidad de gobierno local que ha sido propuesta o que utiliza los fondos de financiamiento del programa de CDBG;
- (3) Proveer información a los ciudadanos, incluyendo:
 - i. La cantidad de financiamientos del de CDBG que se espera sea otorgada en el año fiscal en curso (incluyendo las subvenciones y los ingresos anticipados del programa);
 - ii. El tipo de actividades probables a llevarse a cabo con el financiamiento del de CDBG;
 - iii. La cantidad estimada de financiamientos del de CDBG propuesta para ser usada en actividades que cumplirán con el objetivo nacional de beneficiar a personas de bajos recursos económicos; y
 - iv. Las actividades propuestas del programa de CDBG que son probables de resultar declinadas y la unidad general de gobierno y los planes de reemplazo requeridos bajo el Sec. 570.488
- (4) Proveer asistencia técnica a grupos representativos de personas de bajos y moderados recursos que soliciten ayuda en el desarrollo de sus propuestas de acuerdo con el procedimiento desarrollado por el estado. Dicha asistencia no incluye proveer financiamiento a tales grupos;
- (5) Participar en un mínimo de dos audiencias públicas, cada una en diferentes etapas del programa, con el propósito de obtener puntos de vista de los ciudadanos y responder a propuestas y preguntas. La audiencia en conjunto debe cubrir las necesidades de casa y desarrollo en la comunidad, desarrollo de actividades propuestas y la revisión del cumplimiento del programa. La audiencia pública que cubre el desarrollo de la comunidad y las necesidades de casa debe ser llevada a cabo en la fecha y lugares convenientes a beneficiarios actuales a potenciales, con lugares accesibles para discapacitados. Las audiencias publicas deben llevarse a cabo de cierta forma que cumplan las necesidades de residentes que no hablen Inglés ya que se espera que un numero razonable de estos participe en el programa.
- (6) Informar a los ciudadanos con suficiente anticipación, y oportunidad de comentar al respecto, sobre actividades propuestas en solicitud al estado y, por subvenciones ya efectuados, actividades que sean propuestas para agregarse, eliminarse a ser cambiadas substancialmente de la solicitud de unidad general de gobiernos locales al estado. Cambiadas substancialmente significa que los cambios sean en términos de objetivo, alcance, lugar o beneficiario, como es definido bajo el criterio establecido por el estado.
- (7) Proveer a los ciudadanos la dirección, el teléfono y las fechas y horario para entregar quejas y objeciones, y proveer oportunas respuestas por escrito a quejas entregadas por escrito, dentro de los primeros 15 días hábiles, cuando así pueda aplicarse.

AGENDA SUMMARY SHEET

Business of the City Council City of Kelso, Washington

SUBJECT TITLE:

Resolution Adoption for Application to the Department of Commerce for CDBG General Purpose Grant Funds

Agenda Item: _____

Dept. of Origin: Public Works _____

For Agenda of: January 22, 2013 _____

PRESENTED BY:

David M. Sypher, P.E.
Public Works Director

Cost of Item: _____

City Manager: Steve Taylor _____

AGENDA ITEM ATTACHMENTS:

Proposed Resolution

SUMMARY STATEMENT:

The purpose of this agenda item is to adopt the resolution required by the Department of Commerce to apply for CDBG funds.

The North Kelso Sewer system was identified in the 1993 Gibbs & Olson Flow Study as the area within the City that has the highest infiltration/inflow (I/I) rate. Since that time Public Works has been replacing the sewer mains to reduce I/I. I/I is the introduction of stormwater to the sewer system by direct flow into manholes (inflow) and by seepage into the piping through cracks in the main and displaced joints (infiltration). I/I creates multiple issues for the sanitary sewer system. I/I increases treatment costs by increasing the volume of the sewage that is collected and delivered to the treatment plant. I/I decreases the piping system capacity due to the I/I using a portion of the piping limiting the system's capability to accept new connections.

This construction project will remove approximately 0.4 miles of failing pipe and greatly reduce the I/I into the system reducing the cost of treating the collected sewage. This will help to stabilize rates and improve system reliability.

FINANCIAL SUMMARY:

With the grant award and funds from the sewer capital improvement fund, the City will be able to complete the project.

RECOMMENDED ACTION:

Staff recommends council to make a motion to adopt the proposed resolution.

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF KELSO AUTHORIZING APPLICATION TO THE STATE OF
WASHINGTON FOR CDBG FUNDS.**

WHEREAS, the City of Kelso is applying to the state Department of Commerce for funding assistance;

WHEREAS, it is necessary that certain conditions be met as part of the application requirements;

WHEREAS, Steve Taylor, the City Manager, is authorized to submit this application to the State of Washington on behalf of the City of Kelso;

NOW, THEREFORE, be it resolved that the City of Kelso authorizes submission of this application to the state Department of Commerce to request up to \$750,000 to replace and rehabilitate sewers in North Kelso, and certifies that, if funded, it:

- A. Will comply with applicable provisions of Title I of the Housing and Community Development Act of 1974, as amended, and other applicable state and federal laws;
- B. Has provided opportunities for citizen participation comparable to the state's requirements (those described in Section 104(a)(2)(3) of the Housing and Community Development Act of 1974, as amended); and has complied with all public hearing requirements and provided citizens especially low- and moderate-income persons, with reasonable advance notice of and the opportunity to present their views during the assessment of community

- development and housing needs, during the review of available funding and eligible activities, and on the proposed activities;
- C. Has provided technical assistance to citizens and groups representative of low- and moderate-income persons that require assistance in developing proposals;
 - D. Will provide opportunities for citizens to review and comment on proposed changes in the funded project and program performance;
 - E. Will not use assessments against properties owned and occupied by low- and moderate-income persons or charge user fees to recover the capital costs of CDBG-funded public improvements from low- and moderate-income owners-occupants;
 - F. Will establish a plan to minimize displacement as a result of activities assisted with CDBG funds; and assist persons actually displaced as a result of such activities, as provided in the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended;
 - G. Has adopted or will adopt a policy(s) to reduce greenhouse gas emissions in accordance with RCW 70.235.070 and certifies this project will adhere to this policy(s).
 - H. Will conduct and administer its program in conformance with Title VI of the Civil Rights Act of 1964 and the Fair Housing Act; will affirmatively further fair housing (Title VIII of the Civil Rights Act of 1968); has adopted (or will adopt) and enforce a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and has adopted (or will adopt) and

implement a policy of enforcing applicable state and local laws against physically barring entrance to or exit from a facility or location that is subject of such nonviolent civil rights demonstration within its jurisdiction, in accordance with Section 104(1) of the Title I of the Housing and Community Development Act of 1974, as amended; and

- I. The City of Kelso designates Steve Taylor as the authorized Chief Administrative Official and the authorized representative to act in all official matters in connection with this application and the City of Kelso's participation in the State of Washington CDBG Program.

Adopted by the City Council and **SIGNED** by the Mayor this _____ day of January, 2013.

Mayor

ATTEST/AUTHENTICATION:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

AGENDA SUMMARY SHEET

Business of the City Council City of Kelso, Washington

SUBJECT TITLE: Joint Council/Lodging Tax Advisory Committee Strategic Planning Discussion.

Agenda Item: _____

Dept. of Origin: _____ City Manager

For Agenda of: _____ January 22, 2013

Originator: _____

PRESENTED BY:

Steve Taylor

City Attorney:

City Manager: Steve Taylor

Agenda Item Attachments:

City Manager Memo re: Lodging Tax Funding Options
Lodging Tax Fund (Stadium Fund 106) Budget Materials

SUMMARY STATEMENT:

Please refer to attached memo.

RECOMMENDED ACTION:

Discuss options for Lodging Tax funding and provide direction for Visitors Center replacement and operation. Schedule additional discussions if necessary.



City of Kelso

City Manager's Office

MEMORANDUM

TO: City Council & Lodging Tax Advisory Committee
FROM: Steve Taylor, City Manager
DATE: January 22, 2013
RE: Lodging Tax Fund Strategic Planning Discussion

The City Council called for a joint special meeting with the City's Lodging Tax Advisory Committee (LTAC) to discuss long-range planning for the use of Hotel-Motel tax funds. Given the timing of the closure of the Visitors Center and the City's efforts to acquire funds to replace the Center, it is appropriate to review the current allocation of funding and discuss a strategy for the most effective use of funds in the future.

The Visitors Center will be closed January 20th, and the structures on site have been declared surplus and are being advertised for purchase/removal by interested parties. If no one wishes to acquire the building(s), the City is authorized to demolish the structures and clear the site. City staff has been working on a plan with the Chamber of Commerce to replace the Visitors Center with a more modern modular building and site amenities. A Rural Economic Grant application has been submitted to the County to help fund the replacement, but those decisions will not be made until March. If authorized to proceed by the City Council, and funds are available for the project, the City anticipates opening the new Visitors Center in August 2013.

Visitors Center visits: **2012 – 9,301** **2011 – 9,912** **2010 – 9,956**

Included with this memo are historical and budgeted revenues and expenditures for the Hotel-Motel Fund (Stadium Fund 106). The budgeted beginning balance for 2013 is \$175,000, and the City projects annual lodging tax revenues of \$135,000. The final installment of \$55,000 to repay the General Fund for Stadium parking lot improvements will occur in 2013. Assuming a \$100,000 contribution toward replacement of the Visitors Center in 2013 along with the lodging tax allocations to approved recipients, the projected ending fund balance will be approximately \$60,000.

The primary discussion topics for this meeting are evaluating the merits of replacing and operating the Visitors Center and exploring alternative ways to strategically allocate funding for tourism promotion. As mentioned above, the City is preparing the existing site for replacement, but policy direction is needed before a long-term commitment is made to replace and operate the Center for 10, 15, 20+ years.

Lodging Tax Funding & Visitors Center Options

Below is a brief description of options to facilitate the discussion:

1. Replace Visitors Center with new, improved structure, signage and landscaping
 - a. Est. Cost \$300,000 in capital (\$100K from Lodging Tax Fund, other funding partners)
 - b. Chamber will move office to facility
 - c. Operating expenses expected to be reduced from \$60,000 to \$40,000/yr
 - d. Determine if additional partners are needed to fund ongoing operating costs; reduce funding for non-Kelso marketing efforts to fund Visitors Center
2. Do not replace Visitors Center; Find alternative marketing outlets to promote Kelso tourism
 - a. New website marketing local and regional attractions
 - b. Internet marketing to potential visitors
 - c. Regional sports marketing
 - d. Tourism facilities development (determine statutory do's and don'ts for funding capital)
 - e. Non-staffed informational kiosks
3. Remove Visitors Center and study options with the possibility of replacing structure outlined in Option 1
 - a. Study options for 1-2 years
 - b. Conduct comprehensive tourism marketing/way-finding study
 - c. Build reserve for Lodging Tax funds
4. Move Visitors Center to new location (current City-owned building)
 - a. Library in Mall ???
 - b. Former Library on Academy St. ???
 - c. Kelso Station ???
5. Other
 - a. Planning for Big Idea funds
 - b. Formulate strategy that funds multiple-option approach

Two basic questions to consider when discussing these options:

- 1) **Is the current use of lodging tax funds effectively promoting tourist activities in Kelso?**
- 2) **Are there opportunities to expand tourism by allocating lodging tax funds in a different manner?**

Following the direction derived from this and/or future planning discussions with the LTAC and City Council, staff will proceed accordingly.

**CITY OF KELSO
2013/14 PRELIMINARY BUDGET**

Page 1 of 1
REVENUES

		2009		2010		2011		2012		2013		2014	
		Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
ACCT#	ACCOUNT	DESCRIPTION	TRANSACTION	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL
306	00 00	BEGINNING FUND BALANCE Reserves available for spending.		\$ 110,353	\$ 102,829	\$ 115,373	\$ 123,047	\$ 175,000	\$ 158,300				
313	30 00	HOTEL/MOTEL TAX Represents 2% tax on lodging in hotels/motels in Kelso.		133,075	139,364	133,521	135,000	135,000	135,000				
361	10 00	INVESTMENT INTEREST Investment of cash reserves.		2,588	771	466	450	450	450				
369	90 00	MISCELLANEOUS REVENUES Button sales, Depot prints and mugs.		103	58	46	100	100	100				
		TOTALS: SPENDING FUND REVENUES											
				\$ 246,139	\$ 243,021	\$ 249,406	\$ 238,521	\$ 310,550	\$ 293,850				

CITY OF KELSO
2013/14 PRELIMINARY BUDGET

Page 1 of 1
EXPENSES

FUND END-OF-YEAR ACCOUNT #	STOCKHOLDERS' EQUITY	2009		2010		2011		2012		2013	
		Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
508 00 000	ENDING FUND BALANCE	\$ 102,829	\$ 115,373	\$ 123,047	\$ 54,247	\$ 158,300	\$ 160,050				
519 90 440	CITY ADVERTISING Keiso promotion of miscellaneous programs.	12,996	15,801	10,000	12,000	1,000	1,000				
573 10 100	VOLCANO CENTER ADMINISTRATION 7-day per week operation at the City Volcano Center.	43,570	42,511	42,689	51,700	34,000	52,000				
573 10 310	VOLCANO CENTER SUPPLIES Pays for clerical and tourist used supplies.	251	-	-	500	500	500				
573 10 420	VOLCANO CENTER TELEPHONE/POSTAGE Base rate & long distance, and postage costs.	478	468	1,127	500	500	500				
573 10 460	VOLCANO CENTER INSURANCE Volcano Center share of liability and property insurance.	4,263	4,207	5,015	4,300	4,300	4,300				
573 10 470	VOLCANO CENTER UTILITIES PUD, Water/Sewer/Garbage.	3,335	3,245	3,760	3,500	3,000	3,500				
573 10 480	VOLCANO CENTER REPAIRS AND MAINTENANCE Carpet cleaning, heat pump maintenance, exterior deck, and landscaping, etc.	1,532	1,070	1,119	1,500	1,500	1,500				
573 10 490	VOLCANO CENTER MISCELLANEOUS Various miscellaneous items.	219	265	473	500	500	500				
573 20 497	REGIONAL PERFORMING ARTS Contribution to the Regional Performing Arts Center.	15,000	15,000	20,000	20,000	15,000	20,000				
573 90 492	MISCELLANEOUS EVENTS	15,000	13,500	6,900	11,600	4,075	7,375				
573 90 493	BIG IDEA	-	-	-	7,000	7,000	7,625				
575 30 490	COWLITZ MUSEUM Contribution Cowlitz County Museum.	15,000	15,000	15,000	15,000	15,000	15,000				
581 20 000	INTERFUND LOAN REPAYMENT - PRINCIPAL To General Fund.	-	-	-	55,000	55,000	-				
592 20 000	INTERFUND LOAN REPAYMENT - INTEREST To General Fund.	1,926	582	276	1,250	250	-				
594 08 001	CAPITAL PROJECTS Parking lot at Rister Stadium.	11,533	-	-	-	-	-				
597 00 010	HIGHLANDER FESTIVAL TRANSFER Pays promotion expenses of the Highlander Festival.	16,000	16,000	20,000	20,000	10,000	20,000				
597 00 014	TRANSFER TO VARIOUS FUNDS Kelso tree lighting festival.	2,188	-	-	-	-	-				
	TOTALS FOR THE FUND EXPENDITURES							\$ 246,726	\$ 243,023	\$ 243,406	\$ 258,597
											\$ 310,550